GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:108
ANSWERED ON:01.03.2005
IMPORT OF AGRICULTURAL AND CASH CROPS
Karunakaran Shri P.

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether violation of Indo-Srilankan Accord/Sri Lanka Free Trade Agreement (SAFTA) with regard to import of agricultural/cash crops has adversely affected our domestic agriculture/cash crops; and

(b) if so, the measures taken to protect our domestic agriculture/cash crops?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN)

(a) and (b): Bilateral trade between India and Sri Lanka is governed by Indo-Sri Lanka Free Trade Agreement (ISFTA) 1998. It has been observed that, while there has been no instance of violation of ISFTA, imports of pepper and cloves from Sri Lanka into India, under the duty-free facility of ISFTA, have shown an increasing trend. Representations have been received in the Ministry of Commerce and Industry expressing concerns of its adverse effects on domestic products.

Action has already been initiated by the Government in this regard, through the process India-Sri Lanka bilateral discussions, to find an early solution.